

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2102-01
Bill No.: HB 887
Subject: Boards, Commissions, Committees, Councils; General Assembly; Medicaid
Type: Original
Date: March 14, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	(UNKNOWN)	(UNKNOWN)	(UNKNOWN)

***Expected to exceed \$100,000 annually.**

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Federal	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds*	\$0	\$0	\$0

***Unknown revenue and expenditures expected to exceed \$100,000 annually and net to \$0.**

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services** did not respond to our fiscal impact request.

Oversight assumes the establishment of an in-house Medicaid Pharmacy Management Program has unknown cost but expect the cost to exceed \$100,000 annually. **Oversight** assumes the program would be funded from the General Revenue Fund and federal funds due to the management of the Medicaid population.

Officials from the **Missouri Consolidated Health Care Plan** did not respond to our fiscal impact request due to the lack of program details.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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GENERAL REVENUE FUND

Costs - Department of Social Services

Medicaid Pharmacy Management Program*	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>
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*Expected to exceed \$100,000 annually.

FEDERAL FUNDS

Income - Department of Social Services

Medicaid reimbursements	Unknown	Unknown	Unknown
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Costs - Department of Social Services

Medicaid Pharmacy Management Program*	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would require the Department of Social Services to develop a Medicaid Pharmacy Management Program. The program's duties include supervision of the Medicaid pharmacy program and cost containment programs; seeking recommendations from Medicaid providers about management practices; entering into contracts with consultants; and employing a program director, physicians, pharmacists, and support personnel. The program would also be required to include management programs for the disabled and elderly and other appropriate subgroups and to expand to manage the pharmacy programs for MC+ and the Missouri Consolidated Health Care Plan when directed by the General Assembly. The proposal would also establish the Joint Committee on Pharmacy Management. It would consist of 6 members of the General Assembly. The Medicaid Pharmacy Management Program would be required to report to the committee on a quarterly basis. The proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

NOT RESPONDING: Department of Social Services and Missouri Consolidated Health Care



Jeanne Jarrett, CPA
Director

March 14, 2001